

STATE OF CALIFORNIA  
Budget Change Proposal - Cover Sheet  
DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit	Department Natural Resources Agency	Priority No.
Budget Request Name River Parkways Reappropriation		Program	Subprogram

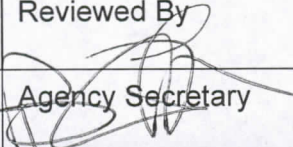
Budget Request Description  
Bond Unit Reappropriations

Budget Request Summary

This request would reappropriate the remaining funds for the Proposition 12 and Proposition 40 River Parkways and California Cultural and Historical Endowment programs.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No  
*Attach comments of affected department, signed and dated by the department director or designee.*

Prepared By Bryan Cash	Date 2/12/2016	Reviewed By 	Date
Department Director	Date	Agency Secretary	Date 2/12/2016

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

BCP Type: ☐ Policy ☐ Workload Budget per Government Code 13308.05

PPBA Original Signed by Amanda Martin	Date submitted to the Legislature 4-7-16
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## **A. Budget Request Summary**

The Natural Resources Agency is currently providing statewide oversight and administering grant programs for Propositions 12, 13, 40, 50, 84 and 1. This request would reappropriate the remaining balances of appropriations from the River Parkways and the California Cultural and Historical Endowment programs within 2 of these bond measures so that ongoing projects can be completed and so that the remaining funds can be awarded. Funds will be awarded through the current solicitation of River Parkways and the Museum Grant Program. Awards will be announced during the first quarter of the 2016/17 fiscal year.

## **B. Background/History**

The Natural Resources Agency currently administers grants for several bond-funded and non-bond funded programs. This request would reappropriate the remaining funds for ongoing and new projects from the following programs:

### **Prop 12 River Parkways Program – Reappropriation 00/01**

Proposition 12, the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000 authorized \$2.1 billion in bonds for various purposes. Section 5096.347(z)(2) provided \$33.5 million to the Secretary for Natural Resources to administer a river parkway and restoration program. Agency awarded funding to 29 projects from this program and 25 have been completed, 2 are ongoing and 2 were terminated.

### **Prop 40 River Parkways Program – Reappropriation 02/03**

Proposition 40, the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002, was passed by the voters in March, 2002. Public Resources Code Section 5096.650(c) (1) reference 1 allocated \$75 million in River Parkway funds to the Secretary for Natural Resources for grants in accordance with Water Code Sections 78682.2 and 7048. The 2002/03 budget included \$56.2 million and the 2005/06 budget included \$7.85 million for grants to be awarded by the Secretary, in accordance with the provisions in the bond. This request would reappropriate the remaining balance of the 02/03 appropriation. Agency awarded funding to 76 projects from this program and 64 have been completed, 5 terminated and 7 are ongoing.

### **Prop 40 California Cultural and Historical Endowment – Reappropriation 13/14**

The California Cultural and Historical Endowment (CCHE) Act, AB 716 (Firebaugh, Chapter 1126, Statutes of 2002) established the CCHE to preserve and protect California's cultural and historical resources. Funding from Proposition 40, Section 5096.610 (d) was appropriated to the CCHE through the Budget Acts of 2003, 2013 and 2014. CCHE has provided over \$122 million in preservation grants to conserve the tangible aspects of California's history: the historic structures and properties that cultivate the understanding of our collective past in the next generation. A comprehensive cultural survey was completed in the fall of 2012. This reappropriation would allow for residual funds from projects that fell through or came in under budget to be awarded through a competitive process with the \$3.435 million that was appropriated in 2014/15.

## **C. State Level Considerations**

This program provides funding for projects that help fulfill part of the Natural Resources Agency's mission "to restore, protect and manage the state's natural ...resources."

#### **D. Justification**

To date, River Parkways programs have created or enhanced 226 miles of trails and have restored or preserved 44,000 acres of habitat. This reappropriation will allow for current projects to finish and for the uncommitted funds to be awarded through the current River Parkways solicitation. Awards will be made in the first quarter of the 2016/17 fiscal year.

In addition, the CCHE provided over \$122 million in preservation grants to conserve the tangible aspects of California's history: the historic structures and properties that cultivate the understanding of our collective past in the next generation. A comprehensive cultural survey was completed in the fall of 2012. This reappropriation would allow for residual funds from projects that fell through or came in under budget to be awarded through a competitive process with the \$3.435 million that was appropriated in 2014/15. Awards will also be made in the first quarter of the 2016/17 fiscal year.

#### **E. Outcomes and Accountability**

Agency is in a current solicitation for River Parkways and CCHE projects that will be awarded during the first quarter of the 2016/17 fiscal year. For efficiency reasons, these additional funds would be awarded with that cycle. In addition, this request would allow current projects to proceed to completion. Further, as with other bond programs, bi-annual updates are provided to the Department of Finance and the program is subject to an annual audit by the Office of State Audits and Evaluations.

#### **F. Analysis of All Feasible Alternatives**

**Alternative 1:** Allow appropriations to expire.

Pros

- This would delay the expenditure of General Fund on bond repayment.

Cons

- Projects already in progress would be halted which would have a negative economic and environmental impact on local communities.

**Alternative 2:** Reappropriate funds for these programs.

Pros

- Projects already awarded funds and that are in progress could be completed.
- Projects that are completed can be closed-out.
- Projects will provide environmental, economic and recreational benefits to the communities where they are located.

Cons

- General Fund will be expended sooner for bond repayment

## **G. Implementation Plan**

As mentioned above, solicitations are already underway for both programs and funds will be awarded during the first quarter of the 2016/17 fiscal year. In addition, staff are working with the current projects to make sure that they are completed in a timely manner.

## **H. Recommendation**

Alternative 2 is recommended. This would allow the project funds to be awarded to worthwhile projects and allow current projects to be completed. We would recommend including the following language:

0540-491—Reappropriation, Secretary of the Natural Resources Agency. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2019:

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 0540-101-0005, Budget Act of 2000 (Ch. 52, Stats. 2000) as reappropriated by Item 0540-490, Budget Act of 2002 (Ch. 379, Stats. 2002) as reappropriated by Item 0540-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), as reappropriated by Item 0540-490, Budget Act of 2011 (Ch. 33, Stats. 2011).

6029—California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund

(1) Item 0540-101-6029, Budget Act of 2002 (Ch. 379, Stats. 2002) as reappropriated by Item 0540-490, Budget Act of 2004 (Ch. 208, Stats. 2004) as reappropriated by Item 0540-490, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), as reappropriated by Item 0540-490, Budget Act of 2011 (Ch. 33, Stats. 2011)

(2) Item 6120-101-6029, Budget Act of 2013 (Ch.20, Stats. 2013).